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PROPOSED COUNSEL FOR DEBTOR
AND DEBTOR IN POSSESSION
MODE ELEVEN BANCORP

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF WYOMING**

In re:)	
)	Chapter 11
MODE ELEVEN BANCORP,)	
)	Case No. 25-20240
)	
Debtor in Possession)	

**GLOBAL NOTES, METHODOLOGY, AND SPECIFIC DISCLOSURES
REGARDING DEBTOR'S SCHEDULES OF ASSETS AND LIABILITIES AND
STATEMENT OF FINANCIAL AFFAIRS**

Mode Eleven Bancorp ("Debtor"), debtor-in-possession herein, with the assistance of its management, professionals, and advisors, has filed its Schedules of Assets and Liabilities (the "Schedules") and Statement of Financial Affairs (the "Statement," and together with the Schedules, the "Schedules and Statement") with the United States Bankruptcy Court for the District of Wyoming (the "Bankruptcy Court") pursuant to

section 521 of Title 11 of the United States Code (the “Bankruptcy Code”) and Rule 1007 of the Federal Rules of Bankruptcy.

These *Global Notes, Methodology, and Specific Disclosures Regarding the Debtor’s Schedules of Assets and Liabilities and Statement of Financial Affairs* (the “Global Notes”) pertain to, are incorporated by reference in, and comprise an integral part of the Debtor’s Schedules and Statement.

The Schedules and Statement do not purport to represent financial statements prepared in accordance with Generally Accepted Accounting Principles in the United States (“GAAP”), nor are they intended to be fully reconciled with the financial statements of the Debtor (whether publicly filed or otherwise). Additionally, the Schedules and Statement contain unaudited information that is subject to further review and potential adjustment and reflect the Debtor’s reasonable efforts to report the Debtor’s assets and liabilities.

In preparing the Schedules and Statement, the Debtor relied upon information derived from its books and records that was available at the time of preparation. Although the Debtor has made reasonable efforts to ensure the accuracy and completeness of such financial information, inadvertent errors or omissions, as well as the discovery of conflicting, revised, or subsequent information, may cause material changes to the Schedules and Statement.

Except as expressly required by the Bankruptcy Code, the Debtor and its officers, employees, agents, attorneys, and advisors expressly do not undertake any obligation to update, modify, revise, or re-categorize the information provided in the Schedules and

Statement or to notify any third party should the information be updated, modified, revised, or re-categorized. The Debtor, on behalf of itself, its officers, employees, agents, and advisors, disclaims any liability to any third party arising out of or related to the information contained in the Schedules and Statement and reserve all rights with respect thereto.

The Schedules and Statement have been signed by John Miller (“Miller”), the President and Chief Executive Officer of Mode Eleven Bancorp. In reviewing and signing the Schedules and Statement, he relied upon the efforts, statements, and representations of the Debtor’s books and records and other personnel and professionals. He has not personally verified the accuracy of each such statement and representation, including, for example, statements and representations concerning amounts owed to creditors and their addresses.

As described in the *Declaration of John Miller, CEO of Mode Eleven Bancorp, in Support of Chapter 11 Petition and Related Motions* (the “First Day Declaration”) [Dkt. 6], Miller’s involvement with the Debtor began in December of 2023 (the “Management Transition”). Prior to that point in time, the Debtor was managed by different individuals. Since the Management Transition, Miller and the other employees and professionals of the Debtor have made significant efforts to interpret and, where appropriate, correct the books and records that were in place when Miller became an officer of the Debtor. However, even with these efforts, the books and records from the time period prior to the Management Transition have not reliably provided usable information. This has limited the ability of Miller, the Debtor’s other management and employees, and the Debtor’s professionals’ and advisors’ ability to access or confirm information regarding the Debtor prior to the

Management Transition, including information about certain of the Debtor's property, certain transactions prior to the Management Transition, and the Debtor's financial performance prior to the Management Transition.

Miller has used his best efforts in consulting the Debtor's employees, professionals, and advisors to gauge the precise financial position of the Debtor and prepare the Schedules and Statement. However, given the circumstances surrounding the Management Transition, the Debtor disclaims any representations, warranties, or assurances as to the accuracy or completeness of the Schedules and Statement and reserves its right to amend these documents.

1. **Reservation of Rights.** Reasonable efforts have been made to prepare and file complete and accurate Schedules and Statement; however, inadvertent errors or omissions may exist. The Debtor reserves all rights to amend or supplement the Schedules and Statement from time to time, in all respects, as may be necessary or appropriate, including, without limitation, the right to amend the Schedules and Statement with respect to the description or designation of any claim ("Claim"), to dispute or otherwise assert offsets or defenses to any Claim reflected in the Schedules and Statement as to the amount, liability, priority, status, or classification, to subsequently designate any Claim as "disputed," "contingent," or "unliquidated," or object to the extent, validity, enforceability, priority, or avoidability of any Claim. Any failure to designate a Claim in the Schedules and Statements as "disputed," "contingent," or "unliquidated" does not constitute an admission by the Debtor that such Claim or amount is not "disputed," "contingent," or "unliquidated."

Listing a Claim does not constitute an admission of liability by the Debtor. Furthermore, nothing contained in the Schedules and Statement shall constitute a waiver of rights with respect to the Debtor's chapter 11 case, including, without limitation, issues involving Claims, defenses, equitable subordination, recharacterization, and/or causes of action arising under the provisions of chapter 5 of the Bankruptcy Code and any other relevant non-bankruptcy laws to recover assets or avoid transfers. Any specific reservation of rights contained elsewhere in the Global Notes does not limit in any respect the general reservation of rights contained in this paragraph.

2. Description of Case and “as of” Information Date.

The Debtor filed a voluntary petition for relief pursuant to chapter 11 of the Bankruptcy Code and elected to proceed pursuant to Subchapter V of chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Wyoming (the “Bankruptcy Court”) on June 9, 2025 (the “Petition Date”). Unless otherwise stated, asset and liability information is as of the Petition Date.

3. Summary of Significant Reporting Policies. Debtor adopted the following conventions in preparing the Schedules and Statements.

- a. Book Value. The Debtor asserts that it could prove to be expensive, unduly burdensome, and an inefficient use of estate assets for the Debtor to obtain current market valuations for all its assets. Accordingly, unless otherwise noted, each asset and liability of Debtor is as shown on the basis of the book value of the asset or liability, if available, in accordance with Debtor's accounting records as of the Petition Date.
- b. Currency. All amounts are reflected in U.S. Dollars.
- c. Assets. While reasonable efforts have been made to determine the extent and value of the Debtor's assets, certain of the Debtor's assets were

acquired before the Management Transition and the Debtor's information about such assets is limited to the information available which, as noted above, may not be complete or accurate.

- d. Causes of Action. The Debtor has not necessarily set forth all claims or causes of action against third parties as assets in the Schedules and Statement. The Debtor reserves all of its rights with respect to any such claims or causes of action it may have, and neither these Global Notes nor the Schedules or Statement shall be deemed a waiver of any such causes of action.
- e. Unsecured Claims. While reasonable efforts have been made, determination of the date upon which each claim in Schedule E/F Part 1 was incurred or arose would be unduly burdensome and cost prohibitive, and therefore, the Debtor may not list a date for each claim listed on Schedule E/F Part 1.
- f. Intellectual Property Rights. The exclusion of any intellectual property rights or interests shall not be construed as an admission that such intellectual property rights or interests have been abandoned, terminated, assigned, expired by their terms, or otherwise transferred pursuant to a sale, acquisition, or other transaction. Conversely, inclusion of certain intellectual property rights or interests shall not be construed to be an admission that such intellectual property rights or interests have not been abandoned, terminated, assigned, expired by their terms, or otherwise transferred pursuant to a sale, acquisition, or other transaction. The Debtor reserves all rights with respect to the legal status of any and all such intellectual property rights or interests.

4. **Disputed, Contingent, and/or Unliquidated Claims.** Schedules D and E/F permit the Debtor to designate a Claim as disputed, contingent and/or unliquidated. A failure to designate a Claim on any of the Schedules as disputed, contingent and/or unliquidated does not constitute an admission that such Claim is not subject to objection by the Debtor. The Debtor reserves the right to dispute, or assert offsets or defenses to, any Claim reflected on the Schedules as to amount, liability or status.

5. **Recharacterization.** Notwithstanding the Debtor's reasonable efforts to properly characterize, classify, categorize, or designate certain Claims, assets, executory

contracts, unexpired leases, and other items reported in the Schedules and Statement, the Debtor may, nevertheless, have improperly or inadvertently characterized, classified, categorized, designated, or omitted certain items. Accordingly, the Debtor reserves all of its rights to recharacterize, reclassify, recategorize, redesignate, add, or delete items reported in the Schedules and Statement at a later time as is necessary or appropriate as additional information becomes available, including, without limitation, whether contracts or leases listed herein were deemed executory or unexpired as of the Petition Date and remain executory and unexpired postpetition.

6. **Global Notes Control.** In the event that the Schedules and/or Statement differs from the foregoing Global Notes, the Global Notes shall control.

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Dated: June 23, 2025
Cheyenne, Wyoming

COVINGTON & BURLING LLP

By: /s/ Abigail V. O'Brient

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By: /s/ Bradley T. Hunsicker

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Proposed Counsel for the Debtor and Debtor in
Possession

CERTIFICATE OF SERVICE

I hereby certify that on June 23, 2025, I caused a true and correct copy of the foregoing **GLOBAL NOTES, METHODOLOGY, AND SPECIFIC DISCLOSURES REGARDING DEBTOR'S SCHEDULES OF ASSETS AND LIABILITIES AND STATEMENT OF FINANCIAL AFFAIRS** to be served, electronically, upon the parties indicated below via the Court's CM/ECF system.

- **Lacey Bryan** lbryan@markuswilliams.com, Docket@markuswilliams.com; janderson@markuswilliams.com; sschaefer@markuswilliams.com
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/s/Maria Gelabert

Maria Gelabert